

Merchant Responsibility Table

ACH Transaction Types (SEC Codes)				
➤ WEB - A consumer ACH payment transaction via the internet.				
➤ PPD - A consumer ACH transaction where a form is signed providing authorization to debit their bank account				
➤ CCD - Business to business ACH transactions which may be used to credit or debit a business account.				
➤ TEL - A consumer ACH payment transaction made via a telephone.				
WEB	PPD	CCD	TEL	Authorization Requirements
✓	✓		✓	Express authorization language (I authorize Company A to debit my account etc.) <ul style="list-style-type: none"> • Terms of the authorization must be clear and readily understandable.
✓	✓		✓	Amount of Transaction: <ul style="list-style-type: none"> • For a single (one-time) entry payment. • For recurring entries that are the same amount each interval, or for a range of payments.* • Reference to a method of determining the amounts of recurring entries.
✓	✓		✓	Customer's Name or identity
✓	✓		✓	Customer's banking account number with routing number
✓	✓		✓	Revocation language
✓	✓		✓	The effective date of the transaction
			✓	The date authorization was given
			✓	Telephone number that is available to the customer and answered during normal business hours for customer inquiries.
			✓	❖ Single (one-time) Entries - Provide written notice confirming oral authorization prior to settlement of the entry or record customer giving oral authorization. ❖ Recurring Entries - Record customer giving oral authorization
Authorization Format				
✓	✓		✓	Authorization for the transaction either can be in writing, displayed electronically, or given verbally for TEL.
✓	✓		✓	The customer must sign the authorization digitally, in writing, or state agreement verbally and be recorded or written confirmation sent for TEL.
✓				A commercially reasonable fraudulent transaction detection system has been established and implemented that, at a minimum: <ul style="list-style-type: none"> • validates the account number AND routing number entered by the customer • verifies the identity of the customer
Authorization Retention				
✓	✓		✓	Recordings and proof of all authorizations must be retained for 2 years from termination or revocation of the authorization.
✓	✓		✓	You must be able to provide a copy of the authorization or the recorded authorization upon request.
		✓		A contractual agreement between the businesses is required to credit or debit another business's bank account. Both businesses must agree to abide by the NACHA Rules and not violate the laws of the United States.

*(a) If the amount of a debit differs from the amount of the immediately preceding debit, or differs from a preauthorized amount, written notice of the amount of the entry and the date on or after which the entry will be debited must be sent at least ten calendar days prior to the date the entry is scheduled to be initiated.

(b) Notice is not required to be give if (i) the merchant provides, and the customer chooses, the option to receive notice only if the amount of the entry falls outside a specified range or if the entry differs from the most recent entry by more than an agreed upon amount, and (ii) the variation of the amount of the entry is within the tolerance agreed to by the customer.

(c) If the merchant changes the scheduled date on or after which debit entries are to be initiated written notice of the new date must be sent to the customer at least seven calendar days before the first such entry to be debited.